



Calculation of Operating Reserve Credit for 2015

\$ in '000

There are four factors that affect the calculation of the reserve credit:

- Prior year 25% debt service reserve
- Current Year Estimates
- Prior year true-up
- Change in the 15% O&M Reserve

Summary of Operating Reserve Credit	If no changes to last years plan (a)	Revised: Forecast to Actual (b)	Difference
2014 25% debt service reserve collected	\$ 3,380	\$ 3,380	\$ -
Prior year true up	-	800	800
Current year estimates	-	-	-
15% O&M Reserve	(111)	(111)	-
2013 Operating Reserve Credit	\$ 3,269	\$ 4,069	\$ 800
(a) Plan assumes prior year expenses and revenues were equal to budgeted amounts			
(b) Revised reflects the true -up of prior year activities			



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Prior Year (2013) True Up			
Description	Estimate	Actual	Difference
Revenue			
GMC Revenue	\$ 196,028	\$ 195,306	\$ (722)
Other Income	7,900	6,846	(1,054)
Realized loss on Investments	-	(8)	(8)
Total revenue	203,928	202,145	(1,783)
Expenses			
O&M	(162,907)	(161,629)	1,278
Debt Service: Principal	(27,145)	(28,585)	(1,440)
Debt Service: Interest	(14,190)	(11,267)	2,923
Smoothing Out Adjustment	(15,535)	(15,535)	-
Cash Funded Capital	(24,000)	(24,000)	-
Recoupment of Bond Premium	-	-	-
Generator Fines Interest Adjustment	-	(179)	(179)
Total expenses	(243,777)	(241,194)	2,583
Impact to Operating Reserve			
Net Increase in Prior Year true-up	\$ (39,849)	\$ (39,049)	\$ 800



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Current Year (2014) Estimates			
Description	Budget	Estimate	Difference
Revenue			
GMC Revenue	\$ 196,000	\$ 196,000	\$ -
Other Income	7,900	7,900	-
Total revenue	203,900	203,900	-
Expenses			
O&M	(162,900)	(162,900)	-
Debt Service: Principal	(15,800)	(15,800)	-
Debt Service: Interest	(11,165)	(11,165)	-
Smoothing Out Adjustment	(15,535)	(15,535)	-
Cash Funded Capital	(24,000)	(24,000)	-
Total expenses	(229,400)	(229,400)	-
Impact to Operating Reserve			
Net Increase in current year estimates	\$ (25,500)	\$ (25,500)	\$ -

Change in 15% Operating Reserve			
Description	Prior year Budget	Current year Budget	Change
Change in O&M budget from prior year	\$ 164,392	\$ 165,131	\$ (739)
Change in 15% Operating Reserve requirement	\$ 24,659	\$ 24,770	\$ (111)